

Prior law made it unlawful for a manufacturer, distributor, wholesaler, distributor branch, or factory branch to unreasonably coerce any motorcycle, all-terrain vehicle, trailer, motor home, bus, recreational vehicle, travel trailer, or marine dealer to enter into any agreement to do any unfair act to said dealer or to threaten to cancel without just cause any franchise or any contractual agreement existing between the parties. Prior law further made it unlawful for a manufacturer, distributor, wholesaler, distributor branch, or factory branch to compete with a new motorcycle, all-terrain vehicle, trailer, motor home, bus, recreational vehicle, travel trailer, or marine dealer in the same line make operating under an agreement or franchise from the same manufacturer, distributor, wholesaler, distributor branch, or factory branch.

New law retains prior law and in addition makes it unlawful for a motorcycle or all-terrain vehicle manufacturer, distributor, wholesaler, distributor branch, or factory branch to change the area of responsibility described in the franchise, sales and service, or other contractual agreement. New law defines "area of responsibility" as a geographical area assigned by zip code, parish, or mile radius in a franchise, sales, or contractual agreement existing between a motorcycle or all-terrain vehicle manufacturer and a motorcycle or all-terrain vehicle dealer. New law in addition makes it unlawful for a motorcycle or all-terrain vehicle manufacturer, distributor, wholesaler, distributor branch, or factory branch to establish another motorcycle or all-terrain vehicle dealership within a 30-mile radius of an existing motorcycle or all-terrain vehicle dealership in the same line make operating under an agreement or franchise from the same manufacturer. Allows the relocation of an existing motorcycle or all-terrain vehicle dealer within that dealer's relevant market area provided the relocation site not be within seven miles of another motorcycle or all-terrain vehicle dealer in the same line make operating under an agreement or franchise from the same manufacturer.

Prior law required the franchisor or manufacturer to give a dealer and the Louisiana Used Motor Vehicle and Parts Commission 60 days written notice prior to making a change in the area of responsibility described in the franchise, sales and service, or other contractual agreement. New law retains prior law but excepts motorcycle or all-terrain vehicle dealers.

Effective August 15, 1999.

(Amends R.S. 32:773.1(A)(2)(b) and (l)(intro. para.) and 773.2(D); Adds R.S. 32:771(19))